

## SECTION 9.E. FDIC PROCUREMENT CREDIT CARD PROGRAM

### 9.E.1. Overview (NOV 1998)

This section establishes policies and procedures concerning FDIC's participation in a Government-wide Procurement Credit Card Program for use when goods or limited administrative services of \$5,000 or less are acquired on behalf of FDIC in both its corporate and receivership capacities. The purpose of the credit card program is to provide a simplified method of procuring low dollar value goods or services, and to reduce the administrative timeframes generally associated with these types of procurements. In addition, the process is designed to streamline related payment procedures and reduce administrative prices by facilitating cash management practices through the consolidation of payments, reduction of petty cash funds, and strengthening of internal management controls.

### 9.E.2. Background (NOV 1998)

In an effort to streamline the procurement process for low dollar value goods or services, FDIC has elected to participate in the General Services Administration (GSA) Government-Wide Credit Card Program. In accordance with the terms and conditions of GSA's Master Contract for the Purchase Card Services Program, the FDIC has awarded a Task Order to NATIONSBANK. The period of performance includes a three-year base period from November 30, 1998 through November 29, 2001, with seven one-year renewable option periods which are contingent upon GSA's exercising the Master Contract option periods.

### 9.E.3. FDIC Participation

Most government agencies participating in GSA's Government-Wide Credit Card Program are subject to the Federal Acquisition Regulations (FAR); however, FDIC is not subject to FAR. Therefore, some differences exist between the GSA credit card policies and those of FDIC. The documents provided to participants by NATIONSBANK contain certain policies and procedures which do not apply to FDIC. Participants must refer to this section for guidance regarding FDIC's policy under the GSA's Government-Wide Credit Card Program. If a question arises regarding the applicability of a policy or procedure cited someplace other than in this section, the FDIC Agency Program Coordinator (APC) shall provide clarification and guidance.

### 9.E.4. Roles and Responsibilities

Several individuals or offices play a role in the successful operation of FDIC's Procurement Credit Card Program. Their responsibilities are detailed as follows:

#### 9.E.4.a. Program Administration Function (NOV 1998)

Agency Program Coordinator. The Agency Program Coordinator (APC) function is performed by the Division of Administration (DOA), Acquisition & Corporate Services Branch, Assistant Director, Headquarters Acquisition Section, or his/her designee. The

APC, or his/her designee, serves as FDIC's primary liaison to NATIONSBANK and GSA and is responsible for the oversight and administration of the FDIC Procurement Credit Card Program nationwide. This includes the day-to-day administrative responsibilities involved in operating the program, as well as monitoring and reporting program activities to FDIC executive management. The APC, or his/her designee, is responsible for the development and maintenance of the FDIC Procurement Credit Card Program policy, and provides clarification and guidance to program participants as necessary.

#### **9.E.4.b. Program Billing Function (NOV 1998).**

Program Billing Office. The Division of Administration's Acquisition and Corporate Services Branch, Acquisition Section, is responsible for handling all aspects of the billing process associated with the BankCard program. The Acquisition Section's efforts are coordinated with designated FDIC BankCard program participants (specifically, the Accounting Contacts whose functions are described below) to ensure the timely processing of invoices and that payments to NATIONSBANK are made for all cardholder purchases nationwide. The Acquisition Section verifies the validity of all cardholder statement authorizations against signature cards maintained on file that are signed by program participants who have the delegated authority to approve purchases. The Acquisition Section also assists program participants with any billing-related problems that arise during the payment and reconciliation process.

#### **9.E.4.c. Program Participant Functions (NOV 1998)**

Integrally involved in the program are three program participants. Their specific functions and responsibilities inherent to the program are described as follows:

- (1) **Approving Officials.** Approving Officials (AOs) represent a division/office and are responsible for reviewing and approving all charges incurred by their cardholders; periodically reviewing purchase receipts in conjunction with the approval of the monthly statements; verifying proper documentation; assisting with the resolution of disputed items, when necessary; and ensuring compliance with the FDIC billing office's requirements for statement verification and approval. Internal procedures should be developed and implemented to ensure that purchase receipts are reviewed periodically with the monthly statements to ensure that purchases are not being split to circumvent the single purchase limit and that the combined charges of their respective cardholders do not exceed established monthly procurement limits. In the event that a cardholder resigns, is reassigned, or terminated, the AO shall notify the APC, or his/her designee, immediately. All AOs will be subject to the specific limitations set forth in the applicable Corporate Redelegations of Expenditure Authority (Form FDIC 1151/01).

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- (2) Cardholders. Cardholders are designated by the Approving Official, and approved by the APC, to make purchases for their respective division location accounts through the use of their Procurement Credit Cards. The primary responsibilities with this function are provided as follows:
- (a) Adherence to Policy. Upon receipt of a Cardholder Authority Memorandum and Procurement Credit Card, a cardholder will be responsible for compliance with the policies and procedures of the FDIC Procurement Credit Card Program. Cardholders are responsible for the physical security of their card and for safeguarding the credit card account number. Cardholders must ensure that their card is used solely for official FDIC business, in accordance with FDIC policy, and that the prices obtained for all purchases are fair and reasonable, reflect appropriate discounts, and do not include sales tax.
  - (b) Documentation. Cardholders must be able to support all procurements using the Procurement Credit Card by maintaining sufficient documentation and adequate descriptions to justify the charge as having been made for official FDIC business. Procurements made especially for the purpose of conferences should contain at a minimum a description stating the purpose for the conference, the name of the individual authorizing the function, and a list of all attendees. Conference attendees who are on travel status may not claim per-diem for lunch/dinner furnished at the conference on their travel voucher. Cardholders must maintain sufficient documentation (receipts, charge slips, etc.) for any over-the-counter procurements and maintain a detailed record of all telephone, mail- order, and Internet procurements made with the Procurement Credit Card. Cardholders are responsible for verifying the accuracy of the charges reflected on their monthly billing statements and for providing applicable accounting codes with respect to each charge. If a cardholder identifies any charge as invalid, the cardholder must initiate any action necessary to effect resolution, such as obtaining a credit from the vendor or formally disputing the charge through NATIONSBANK.
- (3) Accounting Contacts. Accounting Contacts (ACs) are designated by the AOs to assist the Acquisition Section with the coordination of the payment process. On a monthly basis, the AC reconciles the cardholder's record of purchases against the cardholder statement for each billing cycle, and prepares a spreadsheet. The spreadsheet contains all purchasing information for goods and services that were procured within the month's billing cycle, per Approving Official account, and includes accounting information for the appropriation of funds. The AC transmits the spreadsheet(s) and faxes signed front and back copies of authorized

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cardholder statements to the Acquisition Section. The ACs are responsible for providing all pertinent documentation, as instructed by the Acquisition Section, within time-sensitive deadlines to avoid unnecessary interest penalties. Designated ACs are not required to be knowledgeable in accounting practices; however, they should be familiar with Microsoft Excel and FDIC's accounting and organizational code structures.

## 9.E.5. Policy and Guidelines

### 9.E.5.a. FDIC Procurement Credit Card Use

The FDIC Procurement Credit Card Program has been established as a supplement to, not as a replacement for, existing procurement methods, policies, and directives. Its use is intended as another avenue to provide the Corporation with certain low dollar value goods or services which are needed to accomplish its mission. Use of the card as a vehicle to circumvent existing procurement methods, policies and directives is prohibited. It is the responsibility of the cardholder to be familiar with and adhere to existing policies and procedures.

### 9.E.5.b. Authority to Make Purchases with the Procurement Credit Card

Employees designated as cardholders under the FDIC Procurement Credit Card Program may use the Procurement Credit Card to make authorized procurements, within the thresholds set forth in APM, 9.E.5.c., *Procurement Thresholds*. Items procured by the cardholder must be approved in accordance with, and cannot exceed, the AO's functional and delegated expenditure authority. Acquisitions made by authorized cardholders on behalf of the FDIC Program Offices must be supported by the appropriate documentation to demonstrate sufficient expenditure authority by the AO for the purchase.

### 9.E.5.c. Procurement Thresholds (NOV 1998)

The APC, or designee, is the FDIC official responsible for approving the designation of cardholders and AOs, and for establishing the maximum procurement thresholds under the FDIC Procurement Credit Card Program. No other official shall possess this authority, unless specifically redelegated by the APC, or designee. FDIC's maximum procurement thresholds under the credit card program are as follows:

- (1) **Single Procurement Limit.** The single procurement limit is the maximum amount a cardholder may charge for any single procurement. Neither cardholders nor merchants are permitted to split a single procurement into smaller amounts in order to avoid exceeding the single procurement threshold. The maximum single procurement limit for any FDIC cardholder shall be \$5,000 unless approved by the APC in writing. All cardholders will

be subject to the specific limitations set forth in the Cardholder Authority Memorandum.

- (2) **Monthly Procurement Limit.** The monthly procurement limit is the maximum cumulative amount a cardholder may charge in any single monthly billing cycle. The maximum monthly procurement limit for any FDIC cardholder shall be \$50,000. All cardholders will be subject to the specific limitations set forth in the Cardholder Authority Memorandum.
- (3) **Monthly Division/Office Limit.** The monthly division/office limit is the maximum cumulative amount any FDIC division or office may charge in any single monthly billing cycle, for all of its cardholders, combined. The monthly division/office limit is usually the sum of the monthly procurement limits of all cardholders in a particular division or office account.

**9.E.5.d. Permissible, Prohibited, and Restricted Use (NOV 1998)**

- (1) **Permissible Use.** All goods or services that are not specifically included as prohibited or restricted, as described below, may be procured with the Procurement Credit Card.
  - (a) **Official Business.** The Procurement Credit Card may be used to procure goods or limited administrative services \$5,000 or less, which are needed for official FDIC business only. Use for other than official FDIC business will result in immediate cancellation of the card and could lead to adverse personnel action. To differentiate from a personal credit card, the Procurement Credit Card was specifically designed to show the Great Seal of the United States and the words United States of America.
  - (b) **Permissible Procurement Sources.** The Procurement Credit Card may be used at any establishment at which the VISA Card is accepted as a form of payment. Sources should be rotated to preclude repeated acquisitions from the same merchant. Use of Minority and Women-Owned Business (MWOB) firms is encouraged.
  - (c) **Types of Acceptable Purchases.** The following goods and services are considered appropriate for purchase with the FDIC Credit Card in accordance with these procedures and other Corporation policies and procedures as applicable. This list is exemplary only and does not represent all of the acceptable types of purchases.
    - [1] Building repairs;
    - [2] Locksmith services;
    - [3] Equipment purchases and repairs;

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- [4] Catering services;
- [5] Refreshments / meals\*;
- [6] Flowers and other expressions of sympathy;
- [7] Membership fees and association dues;
- [8] External training courses once approved on SF-182 as defined in FDIC Circular 2600.1;
- [9] Advertisement;
- [10] Conference/meeting rooms off-site;
- [11] Corporate vehicle repair and other services;
- [12] Duplicate keys;
- [13] Reconfiguration of workstations; and
- [14] Carpet repair.

\* This applies to the purchase of non-extravagant food and/or refreshments used during the ordinary course of **official FDIC business** conferences, meetings, luncheons, dinners, or other functions. Anticipated transactions shall be approved in advance (in writing or by e-mail) by the Assistant Director-level or above in Headquarters or the Regional Director/Regional Manager in the Field.

- (2) Prohibited Goods and Services. In addition, certain types of procurements are strictly prohibited under any circumstances.
  - (a) Official travel expenses (transportation expenses, hotel accommodations, meals, or vehicle rentals) for which the current FDIC NATIONSBANK Travel Credit Card is used;
  - (b) Rental or lease of land or buildings;
  - (c) Telecommunications (telephone) services;
  - (d) Cash advances from bank tellers or automated teller machines;
  - (e) Goods or services related to the management and disposition of assets held by FDIC in its receivership capacity, former receivership assets which have been obtained via corporate purchase, or receivership related assets which may have been "assigned" to FDIC in its corporate capacity. These prohibited services include, but are not limited to, appraisals, surveys, environmental assessments, phase I environmentals, brokerage services, title policies or commitments, asset searches, or

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- similar goods or services related to asset liquidation activities performed by the Division of Resolutions and Receiverships (DRR);
- (f) Outside counsel and legal services procured by the Legal Division;
  - (g) Artwork; and
  - (h) Software/hardware warranties and maintenance agreements.
- (3) **Restricted Use.** Use of the FDIC BankCard to procure specific goods or services is respective of established policies that have been implemented within FDIC. For purposes of the Procurement Credit Card Program, and in accordance with established policies and procedures, it is necessary to obtain special clearances prior to procuring specific goods or services, as indicated below:
- (a) **Information Resources Management (IRM).** The policies and procedures for procuring IRM goods or services require the prior approval from the Division of Information Resources Management (DIRM). For purposes of the Procurement Credit Card Program, and in accordance with established policies and procedures, only the designated cardholders in DIRM are authorized to procure IRM goods or services including maintenance agreements and extended warranties, notwithstanding the prohibition set forth in 9.E.5.d.(2)(h). Requestors from divisions outside of DIRM shall contact a DIRM cardholder, who shall proceed to procure the IRM-related goods or services on their behalf (refer to DIRM Circ. 1330.1, for a more detailed description of DIRM requirements).
  - (b) **Office Supplies and Office Equipment.** The policies and procedures for procuring office supplies require that cardholders may only procure items that are not available through the FDIC Supplies Contractor or stocked in an FDIC Supply Room. Individual cardholders must check the FDIC supplies catalog or the Supply Room to ensure the item is not carried prior to procuring the item with their Procurement Credit Card. If the item is not carried by FDIC, the cardholder may procure the item using their Procurement Credit Card and charge the centralized Acquisition & Corporate Services Branch office supply budget in accordance with the ACSB Supplies Purchasing Policies. The only exception to this policy pertains to Division of Supervision (DOS) and Division of Compliance and Consumer Affairs (DCA) Field Office Sites. These offices may use the credit card to purchase office supplies and office equipment\* without checking the ACSB supplies catalog.

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\* When office equipment is purchased under the terms of this paragraph, the cardholder may also purchase maintenance agreements and/or extended warranties for that equipment.

- (c) **Office Furniture.** The policies and procedures for procuring office furniture require the prior approval of DOA/ACSB. Only designated cardholders located within the DOA/ACSB Facilities Section are authorized to procure office furniture-related goods or services. Requesters from divisions outside of this section shall contact a designated facilities cardholder, who shall proceed to procure the office furniture-related goods or services on their behalf (refer to Circ. 1801.1 for a more detailed description of ACSB Office Furniture purchasing requirements).
- (d) **Periodicals, Books, and Subscription Services.** The established policies and procedures for procuring periodicals, books and subscription-related goods or services require the prior approval of DOA/ACSB. Only designated cardholders located within the DOA/ACSB Library Services Section (LSS) are authorized to procure periodicals/books/subscription-related goods or services. Requestors outside DOA/ACSB, LSS, shall contact a designated LSS cardholder, who shall proceed to procure the periodical/subscription on their behalf (refer to Circ. 3020.2 for more detailed description of LSS Periodicals/Books/Subscription Services purchasing requirements).
- (e) **Management/Disposition of Assets.** The procurement of goods or services related to asset liquidation activities performed by the Division of Resolutions and Receiverships (DRR) is prohibited per established policies and procedures (9.D.5.d.(2).(e)). However, notwithstanding this prohibition, a Contracting Officer does have the authority to use his/her credit card to procure incidental goods or services related to an asset (e.g., locksmiths, building repairs, etc.) in a receivership capacity. The decision to use the credit card for this purpose, in lieu of a Purchase Order, is at the discretion of the Contracting Officer.

#### **9.E.6. Administrative Procedures**

The day-to-day administrative procedures associated with the FDIC Procurement Credit Card Program are detailed in the following paragraphs. Questions concerning these procedures, or requests for additional guidance, are to be addressed to the APC, or his/her designee.

##### **9.E.6.a. Request for Procurement Credit Card Accounts**

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Requests for new Procurement Credit Cards must be approved by the APC, or designee, having sole authority for the designation of AOs and cardholders. All requests must be made in writing, and are to be submitted to the APC, or his/her designee. The request shall contain the names of the proposed cardholder(s) and AO, as well as proposed procurement limits. Upon approval of the request by the APC, or his/her designee, the AO will be contacted to obtain specific information necessary for the issuance of the card(s). The APC, or his/her designee, will forward the necessary information to NATIONSBANK for processing.

**9.E.6.b. Issuance of Procurement Credit Card**

Upon issuance of a Procurement Credit Card, the cardholder shall follow the instructions provided by NATIONSBANK for activating and acknowledging receipt of the Card. The cardholder will receive a separate written Cardholder Authority memorandum from the APC, specifying procurement limits and any other restrictions. A copy of the FDIC Procurement Credit Card Program Policies and Procedures will accompany the Cardholder Authority Memorandum, as will certain forms and additional materials associated with the Program. The cardholder must sign and return a copy of the Cardholder Authority memorandum to the APC, or his/her designee. This serves as acknowledgement by the cardholder that he/she has received the Procurement Credit Card and understands the FDIC Procurement Credit Card Program Policies and Procedures. The APC shall maintain a current list of authorized AOs, cardholders, and ACs.

**9.E.6.c. Requests for Changes to Maximum Procurement Limits**

If an AO wishes to change existing maximum procurement limits for a cardholder, he/she must submit a written request to the APC detailing the desired changes. The request shall provide adequate justification along with a copy of the applicable form FDIC 1151/01, *Corporate Redelelegation of Expenditure Authority* evidencing the AO's delegated expenditure authority equal to or in excess of the requested amount. A signature line for the APC's approval or disapproval should be provided at the bottom of the request. If the proposed changes are approved, a new Cardholder Authority Memorandum will be issued by the APC as appropriate.

**9.E.6.d. Changes to Account Information**

Changes to a cardholder's or AO's name or address are to be immediately reported to the APC, or his/her designee. The APC, or his/her designee, will ensure that the changes are processed through NATIONSBANK.

**9.E.6.e. Resignation or Reassignment of Cardholder or Approval Official**

When a cardholder or AO leaves FDIC or moves to another FDIC location, the APC, or his/her designee, must be immediately notified. Prior to a cardholder's departure from the office, the AO must ensure that the card is obtained from the cardholder and

destroyed. The APC, or his/her designee, shall notify the NATIONSBANK, and the account will be closed. If the AO wishes to have a replacement card issued to another FDIC employee, he/she should follow the procedures outlined above in APM, 9.E.6.a., *Request for Procurement Credit Card Accounts*. Prior to an AO's departure, he or she shall contact the APC, or his/her designee, regarding designation of a new AO, which must be approved by the APC.

#### **9.E.6.f. Designation of Alternate Approval Official (NOV 1998)**

In instances where it is anticipated that the designated AO will not be available to authorize cardholder purchases, he or she may have another AO from the same division or office perform the function in his or her absence. However, prior to the alternate AO assuming the designated AO's responsibilities, the designated AO must first notify the APC in writing of the alternate designation. A copy of the signature card must also be signed by the alternate AO and submitted to the APC prior to authorizing any purchases.

#### **9.E.6.g. Lost or Stolen Cards**

- (1) Cardholders must promptly report lost or stolen cards to the NATIONSBANK Government Card Services Unit (GCSU) Customer Service hotline at the numbers below:

**1-800-472-1424     Within the U.S.**

**1-757-441-4124     Outside the U.S. (Call COLLECT)**

Additionally, the Cardholder must notify his/her designated AO and APC. Cardholders should also contact these officials if they believe that his/her account number has been compromised or used in a fraudulent manner.

- (2) When reporting the loss or theft to NATIONSBANK, the cardholder may be asked to provide some personal identifying information, such as his/her mother's maiden name. This information is to help NATIONSBANK identify any fraudulent purchase attempts, and is the only time personal information will be requested under the program. NATIONSBANK will issue a new card to the cardholder within two business days after the loss or theft is reported to them.
- (3) Cards reported lost or stolen are immediately blocked from accepting additional charges. Unauthorized charges must be disputed by the cardholder, and the cardholder will not be liable for those charges.

**9.E.7. Procedures for Card Usage****9.E.7.a. Exemption from Sales Tax (NOV 1998)**

Procurements made for official U.S. Government purposes with the Procurement Credit Card are not subject to state or local sales tax. The Procurement Credit Card was designed to enable merchants to readily identify the FDIC's tax-exempt status by including the phrase "U.S. GOVT TAX EXEMPT" embossed on the card. Further, the Procurement Credit Card account number is the tax exemption number recognized by the state, to facilitate in procuring items telephonically. It is recommended for cardholders to adhere to the following in order to avoid being charged sales and state taxes, or to obtain credit on taxed charges:

- (1) **Avoiding Tax Charges.** Cardholders must avoid being charged sales tax with their vendor and should inform the merchant of FDIC's exemption from all local sales taxes, prior to the completion of the sale. As a general rule, in the instance that the merchant does not accept the cardholder's instructions to waive the sales tax, the cardholder should make every attempt to procure the goods or services from another merchant who will not charge the tax. However, if time is of the essence in making the purchase and/or there are no other merchants readily available, the cardholder is authorized to proceed with the purchase and paying sales tax is allowable. The circumstances for paying sales tax must be documented by the cardholder and kept with the purchase receipts.
- (2) **Sales Tax Disputes.** In the event that a cardholder is erroneously charged sales tax, FDIC must pay the charge as billed, including the taxed amount. It is important for cardholders to be aware that sales tax may not be treated as a "disputed item" under VISA Operating Regulations. Therefore, every effort must be made for the cardholder and AO to work directly with the merchant to obtain a credit for the full amount of the charge. The merchant must then re-charge the item, excluding the sales tax.

**9.E.7.b. Over-the-Counter Procurements**

Over-the-counter procurements refer to those made in person by the cardholder. Prior to transacting business over-the-counter, the cardholder is responsible for notifying the merchant that procurements for official U.S. Government purposes are not subject to sales tax. The NATIONSBANK has established an authorization process whereby the merchant verifies via a telecommunications system each time the Procurement Credit Card is used. This electronic method of verification ensures that the procurement is within the cardholder's single, monthly, and division/office procurement limits. Upon authorization of the charge, the merchant will present the cardholder with a sales draft for signature. Before signing the draft, the cardholder should verify that the amount is correct and that no sales tax has been included. The cardholder shall maintain a file

containing all receipts issued for over-the-counter procurements (including cash register receipts). During the statement verification process, these receipts will be used to verify and support the charges reflected on the cardholders statement.

**9.E.7.c. Telephone, Mail-Order, and Internet Procurements (NOV 1998)**

- (1) Telephone and Mail-Orders. When placing a telephone order for goods or services which are to be paid for with the Procurement Credit Card, the cardholder must notify the vendor that the procurement is for official U.S. Government purposes and is, therefore, tax exempt. Every attempt shall be made to obtain verification from the vendor that the Procurement Credit Card will not be charged until time of shipment or delivery of the merchandise or service. This is important for the purposes of statement verification and payment. A cardholder may not authorize payment of a charge for which the goods or services have not been received and accepted. The cardholder should be sure to discuss any applicable shipping or handling charges with the merchant, and confirm the amount that he/she understands will be billed.
- (2) Internet Orders. The Procurement Credit Card may be used to make purchases from the Internet. These purchases shall conform to all policies and procedures stated in APM, 9.E. When placing an Internet order, the cardholder shall follow the procedures stated in APM, 9.E.7.c.
- (3) Documentation. A written record or log shall be maintained by each cardholder to document all orders placed via the telephone, the Internet, or mail orders. This record or log is required for the statement review and verification process. Cardholders should use the Purchase Card Order Log (Exhibit XXVI, *Purchase Card Order Log*).

**9.E.7.d. Returned, Damaged, or Unacceptable Procurements**

If the procured goods or services are found to be damaged or unacceptable, the cardholder shall promptly return them and work with the merchant to obtain proper credit for the items. Cardholders shall obtain a credit voucher or some proof that the item was returned, such as a receipt or certified mail receipt. On any returns, cardholders should reject inappropriate return charges and handling or restocking charges to the fullest extent possible, and the condition of the item(s) should be documented. Upon receipt of the monthly billing statement, the cardholder must verify that the return has been properly credited to the account, and shall attach the credit slip to the statement for retention in the files. If the merchant is unwilling to accept returned items or prepare a credit voucher, the cardholder shall follow the procedures outlined in APM, 9.E.7.e., *Disputed or Questioned Items*.

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**9.E.7.e. Disputed or Questioned Items (NOV 1998)**

- (1) If a cardholder is charged incorrectly for an item or has a dispute with the merchant over unacceptable goods or services, a dispute form should be completed by the cardholder. This form should be transmitted as soon as possible to NATIONSBANK at the following fax and address:

**FAX: 757-624-6323**

**ADDRESS: NATIONSBANK  
Government Card Services  
P.O. Box 1637  
Norfolk, VA 23501-1637**

A copy of the dispute form shall also be faxed to the Acquisition Section with the Cardholder's statement during the invoice payment process.

- (2) To preserve FDIC's legal right to dispute a transaction, the dispute form must be received by NATIONSBANK within sixty (60) days of the date of the statement on which the transaction first appeared. In addition, VISA Operating Regulations sometimes require certain written documentation from a cardholder before a reversal of charges can be processed. Instructions on the dispute form will assist cardholders in identifying any specific additional documentation required. Any disputes shown on the cardholders' statements must be properly handled to ensure the preservation of FDIC's rights.

**9.E.8. Billing and Payment Procedures****9.E.8.a. Billing Procedures**

- (1) **Monthly Statement of Account.** All cardholders who have procured goods or services during a billing period will receive a "Monthly Statement of Account" (monthly billing statement) from NATIONSBANK. If a cardholder incurs charges but does not receive a statement within several business days of the end of the billing cycle, the AC should be notified in order to coordinate and reconcile this matter against the master invoice.
- (2) **Master Invoice.** Concurrent with the issuance of statements to cardholders, NATIONSBANK will issue a separate master invoice to the Acquisition Section for every FDIC location (Washington, D.C., and each Service Center). These master invoices will include all charges made by each location's cardholders during the billing period. The master invoices will be

paid by the Washington, D.C., Acquisition Section upon verification of the charges by the cardholders and AOs.

#### 9.E.8.b. Statement Review

Upon receipt of the monthly billing statement, the cardholder shall promptly review and verify all charges. A brief description of each procurement shall be noted in the space provided on the statement. (Any discrepancies are to be handled in accordance with the procedures outlined in APM, 9.E.7.e., *Disputed or Questioned Items*).

#### 9.E.8.c. Statement Authorization

Upon proper verification of the charges, the cardholder must sign in the space provided on the back of the statement and forward it to the AO for review. The AO must also sign the back of the statement, authorizing cardholder's purchases. After the statement has been signed by both the cardholder and AO, the AO forwards it to the designated AC for transmission to Acquisition Section.

NOTE: The NATIONSBANK master invoices require payment within thirty (30) days of receipt by FDIC. Therefore, expeditious review of the monthly statements by all cardholders and AOs is essential.

#### 9.E.8.d. Alternate Cardholders/AO Authorization

In the event that either the cardholder or AO is not available to sign the cardholder statement, the following shall apply:

- (1) Alternate Cardholder. If the cardholder is not available to sign the statement, the Cardholder's designated AO may sign on his or her behalf.
- (2) Alternate AO. If the cardholder's AO is not available to approve the statement, two options are available:
  - (a) An alternate Approving Official may be designated in advance, if it is anticipated that the designated AO will be unavailable. However, prior to the alternate AO assuming the designated AO's responsibilities, the designated AO must first notify the Acquisition Section and the APC in writing that an alternate is necessary. A copy of the signature card must also be signed by the alternate AO and submitted to Acquisition Section prior to authorizing any purchases.
  - (b) The cardholder may also request another designated AO from within the same division/office to provide authorization of his or her purchases. To identify established AOs within a division or office, please contact the APC, or his or her designee.

#### 9.E.8.e. Transmission of Monthly Statements to the Acquisition Section

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Upon receipt of the approved monthly billing statement from the AO, the AC shall include all applicable accounting information and fax a copy of the statement (front and back) to the Acquisition Section. The original billing statement will then be returned to the cardholder. Additionally, an Excel spreadsheet detailing accounting information and procurement descriptions must be completed and transmitted to the Acquisition Section via electronic mail. Instructions regarding these procedures and time frames for submissions will be provided by the Acquisition Section to designated ACs.

**9.E.8.f. Record-keeping**

It is the responsibility of the AO to ensure that complete records are maintained by the cardholders for all credit card charges. The original monthly billing statement, as well as all original receipts, charge slips, credit slips, and telephone order record or logs are to be retained by the cardholder. All other records and correspondence relating to the FDIC Procurement Credit Card Program shall be retained in accordance with the FDIC Records Retention and Disposition Schedule (Procurement Files).

**9.E.9. Reports and Program Compliance**

**9.E.9.a. Reports.**

In addition to issuing monthly statements to cardholders, NATIONSBANK also issues reports to other program participants. Each AO is issued a monthly report of all charges made by his or her cardholders during the period. The APC, or a designee, is issued a summary report of charges made by each division/office, nationwide.

**9.E.9.b. Review of Reports.**

On an ongoing basis, the APC, or his/her designee, reviews all charges made each month under the FDIC Procurement Credit Card Program. The charges are reviewed for their appropriateness and compliance with the FDIC Procurement Credit Card Program Policies and Procedures. Additionally, these reviews are to determine possible conflicts with general FDIC administrative policy, such as computer equipment procurement by offices not authorized to procure such equipment. If a violation of GSA, FDIC, or the NATIONSBANK credit card program policy is identified or suspected, the APC, or his/her designee, will notify the appropriate AO in writing. The matter will be further investigated as appropriate.

**9.E.9.c. On-site Reviews.**

Further, periodic on-site reviews may be performed at the request of the APC, or his/her designee, to ensure conformance with applicable policies and procedures. Improper action on the part of any FDIC Procurement Credit Card Program participant may result in disciplinary action.

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### **9.E.10. Forms**

Form FDIC 1151/01, *Corporate Redelelegation of Expenditure Authority* may be obtained from the DOA's Document Management Unit by submitting form FDIC 1213/11, Request to Reprint a Form.

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